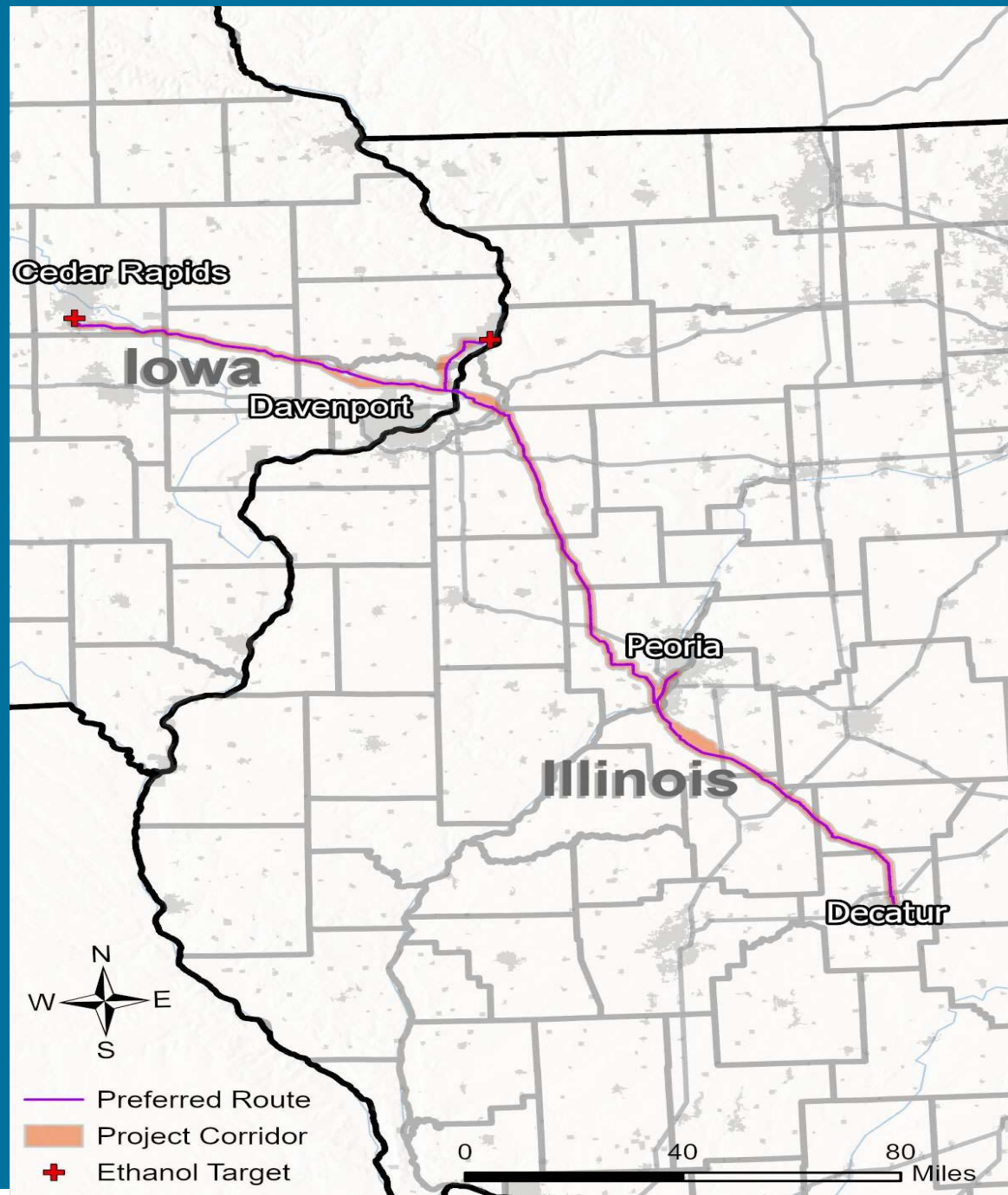


WOLF CARBON SOLUTIONS PROPOSED CARBON DIOXIDE PIPELINE



U.S. Long-Term Strategy: Net-Zero Greenhouse Gas Emissions by 2050



2

Five Key Transformations:

1. Decarbonize Electricity
2. Electrify End Uses & Switch to Other Clean Fuels
3. Cut Energy Waste
4. Reduce Methane and other NON-CO₂ Emissions
5. Scale Up CO₂ Removal

CARBON SEQUESTRATION

U.S. Government Support for Carbon Sequestration



3

- Infrastructure Investment and Jobs Act
 - Signed into law in 2021, includes around \$5 billion in support for CO₂ transport and storage development.
- Inflation Reduction Act of 2022
 - Supports the deployment of CO₂ transport and storage.
 - Increases the value of the 45Q tax credit for CO₂ stored in dedicated storage sites and injected for CO₂-EOR. (\$85 per mt)
 - Extends the beginning of construction deadline from 2026 to 2033 and reduces the size threshold.



Carbon Management Graphic

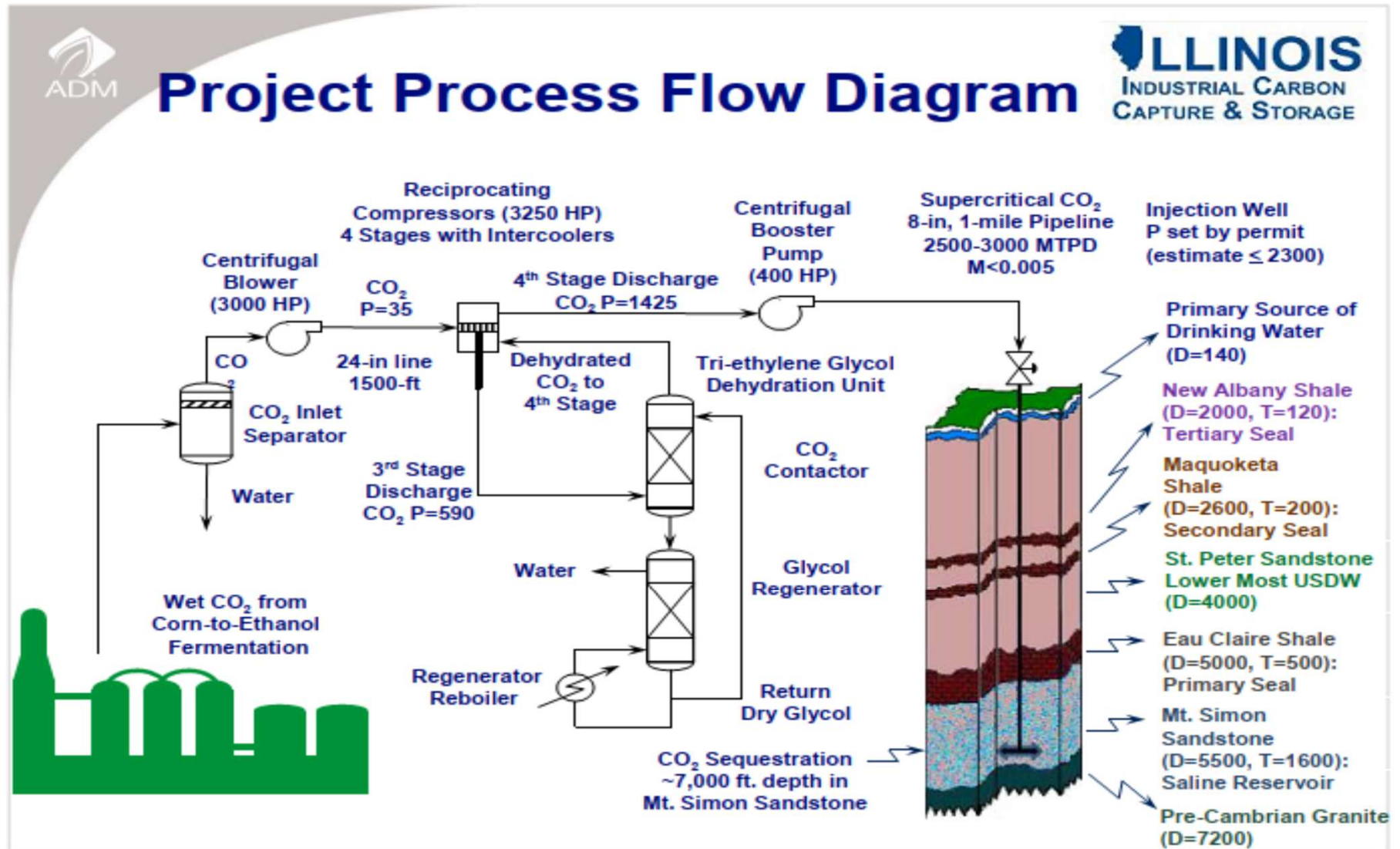
4





Mt. Simon Hub (North of Decatur, IL)

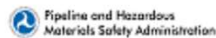
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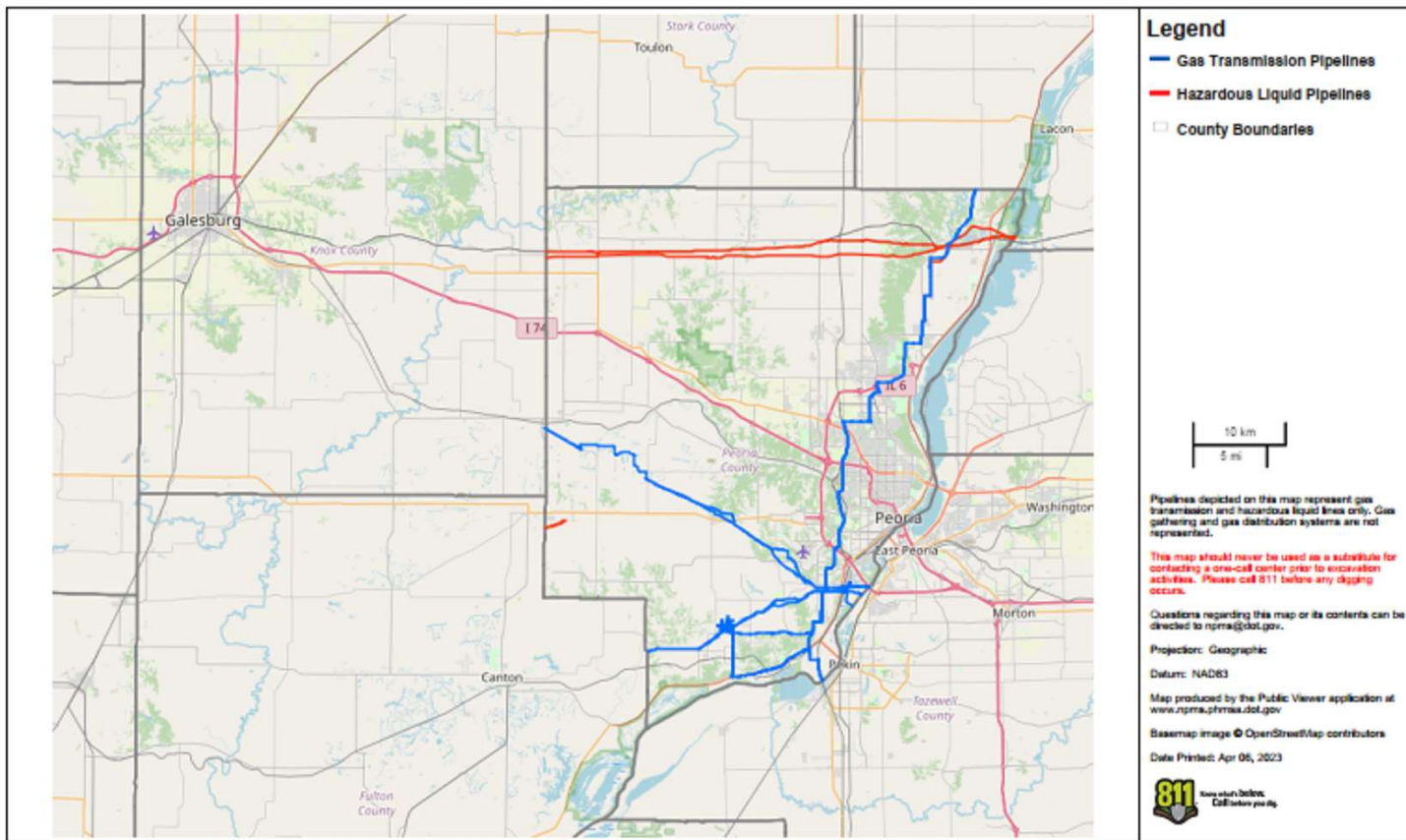


Peoria County Existing Pipelines

6



NATIONAL PIPELINE MAPPING SYSTEM





Other Proposed CO₂ Pipeline

7





Pipeline Safety

8





Pipeline Safety

9

The Pipelines and Hazardous Materials Safety Administration (PHMSA) within the Department of Transportation (DOT) has statutory authority over CO₂ pipeline safety.

Prior to the Satartia accident, according to PHMSA statistics, CO₂ pipeline operators reported only one injury and no fatalities caused by regulated pipelines over the last 20 years.



Pipeline Safety PHMSA May 2022

10

To strengthen CO2 pipeline safety, PHMSA:

- Updating regulatory standards for CO2 pipelines, including emergency preparedness and response;
- Issuing a violation notice, \$3.9M civil penalty, and compliance order to the Satartia, MS operator;
- Completing a failure investigation report for the 2020 pipeline failure in Satartia, MS;
- Issuing nationwide advisory bulletin to mitigate risks related to land-movements and geohazards; and
- Conducting research solicitations to strengthen pipeline safety of CO2 pipelines.



BioUrja and CO₂ Pipeline

11

BioUrja purchased the ADM Peoria Plant in 2021

- Employs nearly 200 (employees and contract) in Peoria, with additional projects in development
- Produces CO₂ for commercial and industrial use.
- CO₂ is a byproduct of alcohol production
- Presently ships CO₂ via tanker trailer
- No present commitment to pipeline but an option
- Line to BioUrja would be smaller



COUNCIL CONSIDERATIONS

12

- CO₂ Sequestration is Part of U.S. Net Zero Strategy
- CO₂ Pipelines are incentivized by U.S. Government
- PHMSA CO₂ Regulations are in development stage
- IL Carbon Dioxide Transportation & Sequestration Act
 - Authorizes the Illinois Commerce Commission, after a hearing, to grant an application for a certificate of authority authorizing the construction and operation of a CO₂ pipeline
 - Allows for the use of eminent domain.



COUNCIL CONSIDERATIONS

13

- Local industry may require some CO₂ pipeline access in order to remain competitive in market and exploit new opportunities
- Proposed Pipeline would likely traverse Peoria County
- Pipeline connection to BioUrja is tentative
- Council can state opposition to the pipeline, express reservations about safety, or remain neutral.